

EXTRACT from the minutes of a regular meeting of the Board of Commissioners of Fire District No. 1 in the Township of Monroe, in the County of Middlesex, New Jersey held on March 19, 2014 at 7:00 p.m.

PRESENT: Comm. DiPierro, Comm. LeBrun, Comm. Perry  
Comm. Costello Comm DiLiato

ABSENT:

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Comm. LeBrun introduced and moved the adoption of the following resolution and Comm. Perry seconded the motion:

**RESOLUTION DETERMINING THE FORM AND OTHER DETAILS OF \$4,500,000 FIRE DISTRICT BONDS OF THE BOARD OF FIRE COMMISSIONERS OF FIRE DISTRICT NO. 1 OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, NEW JERSEY AND PROVIDING FOR THEIR SALE.**

BE IT RESOLVED BY THE BOARD OF FIRE COMMISSIONERS OF FIRE DISTRICT NO. 1 OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, NEW JERSEY AS FOLLOWS:

Section 1. The \$4,500,000 Fire District Bonds of The Board of Fire Commissioners of Fire District No. 1 of the Township of Monroe, in the County of Middlesex, New Jersey (the "Board of Fire Commissioners" or the "Board" when referring to the legal entity and the "Fire

District" when referring to the territorial boundaries governed by the Board) authorized by virtue of the proposal adopted by the Board approved by the affirmative vote of a majority of the legal voters present and voting at the annual Fire District election held on February 17, 2007 pursuant to Title 40A, Chapter 14, of the New Jersey Statutes shall be issued as a single issue of Fire District bonds (the "Bonds"). The Bonds shall mature in the principal amounts on April 1 as set forth as follows:

<u>Maturity</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>	<u>Maturity</u> <u>Date</u>	<u>Principal</u> <u>Amount</u>
2015	\$150,000	2025	\$240,000
2016	\$200,000	2026	\$240,000
2017	\$200,000	2027	\$240,000
2018	\$205,000	2028	\$240,000
2019	\$210,000	2029	\$240,000
2020	\$215,000	2030	\$240,000
2021	\$215,000	2031	\$240,000
2022	\$220,000	2032	\$240,000
2023	\$230,000	2033	\$250,000
2024	\$235,000	2034	\$250,000

The bonds of this issue maturing prior to April 1, 2023 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after April 1, 2023 are redeemable at the option of the Fire District in whole or in part on any date on or after April 1, 2022 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books

kept for that purpose by the Fire District or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Fire District determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Fire District. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption. Payment shall be made upon surrender of the bonds redeemed.

Section 2. The Bonds will be issued in fully registered form. One certificate shall be issued for the aggregate principal amount of Bonds maturing in each year. Both principal of and interest on the Bonds will be payable in lawful money of the United States of America. Each certificate will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository (the "Securities Depository"). The certificates will be on deposit with The Depository Trust Company. The Depository Trust Company will be responsible for maintaining a book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the Bonds on behalf of individual purchasers. Individual purchases may be made in

the principal amount of any multiple of \$1,000 (with a minimum purchase of \$5,000 required) through book-entries made on the books and records of The Depository Trust Company and its participants.

The Bonds will bear interest payable semiannually on or about the first days of April and October in each year until maturity or earlier redemption, if applicable, commencing on or about October 1, 2014 at rates per annum in accordance with the proposal submitted by NW Capital Markets, Inc. (the "Underwriter").

The principal of and the interest on the Bonds will be paid to the Securities Depository by the Fire District or a duly authorized paying agent on the respective maturity dates and due dates and will be credited on the respective maturity dates and due dates to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of each next preceding March 15 and September 15 (the "Record Dates" for the Bonds). The Bonds shall be executed by the manual or facsimile signature of the Chairman of the Fire District under the official seal or facsimile thereof affixed, printed, engraved or reproduced thereon and attested by the manual signature of the Secretary/Clerk of the Fire District. The following matters are hereby determined with respect to the Bonds:

Date of the Bonds: On or about May 21, 2014,

Interest Payment

Dates: Each April 1 and October 1 until maturity or earlier redemption, commencing on October 1, 2014.

Section 3. The Bonds shall be substantially in the following form with such additions, deletions and omissions as may be necessary for the Fire District to market the Bonds:

**SAMPLE BOND FORM-  
DO NOT COMPLETE OR SIGN**

REGISTERED  
NUMBER R- \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF NEW JERSEY

THE BOARD OF COMMISSIONERS OF FIRE DISTRICT NO. 1  
OF THE TOWNSHIP OF MONROE, IN THE  
COUNTY OF MIDDLESEX

FIRE DISTRICT BOND

DATED DATE:	MATURITY DATE:	RATE OF INTEREST PER ANNUM:	CUSIP:
___/___/2014	20__	_____ %	_____

THE BOARD OF FIRE COMMISSIONERS OF FIRE DISTRICT NO. 1 OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, NEW JERSEY (the "Fire District") hereby acknowledges itself indebted and for value received promises to pay to CEDE & CO., as nominee of The Depository Trust Company, which will act as Securities Depository, on the Maturity Date specified above, the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) and to pay interest on such sum from the Dated Date of this bond at the Rate of Interest Per Annum specified above semiannually on the first day of April and October in each year until maturity or earlier redemption as provided herein, commencing on October 1, 2014. Interest on this bond will be paid to the Securities Depository by the Fire District or a duly appointed paying agent and will be credited to the participants of The Depository Trust Company as listed on the records of The Depository Trust Company as of the March 15 and September 15 next preceding the date of such payments (the "Record Dates" for such payments). Principal of this bond, upon presentation and surrender to the Fire District, will be paid to the Securities Depository by the Fire District and will be credited to the participants of The Depository Trust Company.

This bond is not transferable as to principal or interest except to an authorized nominee of The Depository Trust Company. The Depository Trust Company shall be responsible for maintaining the book-entry system for recording the interests of its participants or the transfers of the interests among its participants. The participants are responsible for maintaining records regarding the beneficial ownership interests in the bonds on behalf of individual purchasers.

The bonds of this issue maturing prior to April 1, 2023 are not subject to redemption prior to their stated maturities. The bonds of this issue maturing on or after April 1, 2023 are redeemable at the option of the Fire District in whole or in part on any date on or after April 1, 2022 upon notice as required herein at par, plus in each case unpaid accrued interest to the date fixed for redemption.

Notice of redemption shall be given by mailing by first class mail in a sealed envelope with postage prepaid to the registered owners of the bonds not less than thirty (30) days, nor more than sixty (60) days prior to the date fixed for redemption. Such mailing shall be to the owners of such bonds at their respective addresses as they last appear on the registration books kept for that purpose by the Fire District or a duly appointed Bond Registrar. Any failure of the Securities Depository to advise any of its participants or any failure of any participant to notify any beneficial owner of any notice of redemption shall not affect the validity of the redemption proceedings. If the Fire District determines to redeem a portion of the bonds prior to maturity, the bonds to be redeemed shall be selected by the Fire District. The bonds to be redeemed having the same maturity shall be selected by the Securities Depository in accordance with its regulations.

If notice of redemption has been given as provided herein, the bonds or the portion thereof called for redemption shall be due and payable on the date fixed for redemption at the redemption price, together with unpaid accrued interest to the date fixed for redemption. Interest shall cease to accrue on the bonds after the date fixed for redemption. Payment shall be made upon surrender of the bonds redeemed.

This bond is one of an authorized issue of bonds and is issued pursuant to Title 40A, Chapter 14 of the New Jersey Statutes and a proposal adopted by the Fire District approved by a majority of the legal voters present and voting at the annual Fire District election held on February 17, 2007.

The full faith and credit of the Fire District are hereby irrevocably pledged for the punctual payment of the principal of and the interest on this bond according to its terms.

It is hereby certified and recited that all conditions, acts and things required by the constitution or the statutes of the State of New Jersey to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed and that the issue of bonds of which this is one, together with all other indebtedness of the Fire District, is within every debt and other limit prescribed by such constitution or statutes.

IN WITNESS WHEREOF, THE BOARD OF FIRE COMMISSIONERS OF FIRE DISTRICT NO. 1 OF THE TOWNSHIP OF MONROE, IN THE COUNTY OF MIDDLESEX, NEW JERSEY has caused the Bond to be executed in its name by the manual or facsimile signature of its Chairman, its corporate seal to be hereunto imprinted or affixed, this bond and the seal to be attested by the manual signature of its Secretary/Clerk, and the Bond to be dated the Dated Date as specified above.

THE BOARD OF FIRE COMMISSIONERS  
OF THE TOWNSHIP OF MONROE, IN THE  
COUNTY OF MIDDLESEX

[SEAL]  
ATTEST:

By: \_\_\_\_\_ (Facsimile)  
Chairman

By: \_\_\_\_\_  
Secretary/Clerk

[END OF SAMPLE BOND FORM]

Section 4. The Bonds shall be sold to the Underwriter in accordance with the proposal submitted by the Underwriter and in accordance with the purchase contract to be entered into by and between the Underwriter and the Board (the "Purchase Contract") pursuant to this resolution. The purchase price for the Bonds shall be as set forth in the Purchase Contract, plus unpaid accrued interest, if any, from the dated date of the Bonds to, but not including, the delivery date of the Bonds. The Chairman or Treasurer of the Board is hereby authorized to enter into the Purchase Contract on behalf of the Board with the Underwriter based upon the recommendation by Phoenix Advisors, LLC (the "Financial Advisor") in a form satisfactory to McManimon, Scotland & Baumann, LLC, bond counsel (the "Bond Counsel") to the Board for the sale of the Bonds to the Underwriter in accordance with the provisions of this resolution. The signature of the Chairman or Treasurer on the Purchase Contract shall be conclusively presumed to evidence any necessary approvals.

In consultation with Bond Counsel and with the Financial Advisor, the Treasurer is authorized to revise the interest payment dates, principal payments amounts, and number of maturities provided for herein.

Section 5. The Fire District shall appoint a redemption agent in the event that term bonds are sold.

Section 6. The Bonds shall have printed thereon a copy of the written opinion with respect to the Bonds that is to be rendered by Bond Counsel, complete except for omission of its date.

Section 7. Bond Counsel is authorized to arrange for the printing of the Bonds. The Auditor, Financial Advisor and Bond Counsel are authorized to prepare the Official Statement necessary in connection with the issuance of the Bonds, and the Chairman of the Fire District is authorized to execute any certificates necessary in connection with the distribution of the Official Statement. Such Official Statement may be distributed in preliminary form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission on behalf of the Fire District by the Treasurer or by the Chairman of the Fire District. Final Official Statements shall be delivered to the purchaser of the Bonds within the earlier of seven business days following the sale of the Bonds or to accompany the purchaser's confirmations that request payment for the Bonds. Bond Counsel, Financial Advisor or the Auditor is further authorized to arrange on behalf of the Fire District for a rating for the Bonds from Moody's Investors Service and/or Standard & Poor's.

Section 8. The Chairman or the Treasurer is hereby authorized to make representations and warranties, to enter into agreements and to make all arrangements with The



Depository Trust Company, New York, New York as may be necessary in order to provide that the Bonds will be eligible for deposit with The Depository Trust Company and to satisfy any obligation undertaken in connection therewith.

Section 9. Solely for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), and provided that the Bonds are not exempt from the Rule and provided that the Bonds are not exempt from the following requirements in accordance with paragraph (d) of the Rule, for so long as the Bonds remain outstanding (unless the Bonds have been wholly defeased), the Fire District shall provide for the benefit of the holders of the Bonds and the beneficial owners thereof upon request:

(a) electronically to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system or such other repository designated by the SEC to be an authorized repository for filing secondary market disclosure information, if any, annual financial information with respect to the Fire District consisting of the audited financial statements (or unaudited financial statements if audited financial statements are not then available, which audited financial statements will be delivered when and if available) of the Fire District and certain financial information and operating data consisting of (1) Fire District and overlapping indebtedness including a schedule of outstanding debt issued by the Fire District; (2) the Fire District's most current adopted budget; (3) property valuation information; and (4) tax rate, levy and collection data. The audited financial statements will be prepared in accordance with generally accepted accounting principles as modified by governmental accounting standards as may be required by New Jersey law;

(b) if any of the following material events occur regarding the Bonds, a timely notice not in excess of ten business days after the occurrence of the event sent to EMMA:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the securities, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For the purposes of the event identified in subparagraph (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or

officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(c) notice of failure of the Fire District to provide required annual financial information on or before the date specified in this resolution shall be sent in a timely manner to EMMA.

Section 10. If all or any part of the Rule ceases to be in effect for any reason, then the information required to be provided under this resolution, insofar as the provision of the Rule no longer in effect required the provision of such information, shall no longer be required to be provided.

Section 11. The Treasurer shall determine, in consultation with Bond Counsel, the application of the Rule or the exemption from the Rule for each issue of obligations of the Fire District prior to their offering. Such officer is hereby authorized to enter into additional written contracts or undertakings to implement the Rule and is further authorized to amend such contracts or undertakings or the undertakings set forth in this resolution, provided such amendment is, in the opinion of nationally recognized bond counsel, in compliance with the Rule.

Section 12. In the event that the Fire District fails to comply with the Rule requirements or the written contracts or undertakings specified in this resolution, the Fire District shall not be liable for monetary damages, remedy being hereby specifically limited to specific performance of the Rule requirements or the written contracts or undertakings therefor.

Section 13. The Fire District hereby covenants that it will comply with any conditions subsequent imposed by the Internal Revenue Code of 1986 (the "Code") in order to preserve the exemption from taxation of interest on the Bonds, including the requirement to rebate all net investment earnings on the gross proceeds above the yield on the Bonds, and that it will refrain from taking any action that would adversely affect the tax exemption of the Bonds under the Code. The Fire District authorizes the Treasurer to act and determine on behalf of the Fire District whether the Bonds will be designated as "bank qualified" within the meaning of Section 265 of the Code.

Section 14. The Treasurer is authorized to pay the costs of issuance at or after the time of closing to the various participants regarding the sale and issuance of the Bonds, including costs for the legal services, financial advisor services and other miscellaneous costs of issuing the Bonds.

Section 15. The Treasurer is authorized to invest the proceeds of the Bonds in investment obligations or deposits as permitted in accordance with New Jersey law. The Treasurer, Chairman and Bond Counsel are hereby authorized to take the necessary actions to fulfill the intent and requirements of this resolution.

Section 16. This resolution shall take effect immediately.

The foregoing resolution was adopted by the following vote:

AYES:

NAYS:

## CERTIFICATE

I, Robert Lebrun, Secretary/Clerk of the Board of Commissioners of Fire District No. 1 in the Township of Monroe in the County of Middlesex, New Jersey (the "Board of Commissioners"), HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the Board of Commissioners duly called and held on March 19, 2014 has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the Board of Commissioners and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Board of Commissioners this 19<sup>th</sup> day of March, 2014.



Robert Lebrun, Secretary/Clerk

[SEAL]